

B. The estimated tops of geologic markers are as follows:

Yates	630'
San Andres	1750'
Deleware	3000'
Bone Spring	4500'

C. The estimated depths at which anticipated water, oil or gas are expected to be encountered:

Water: Possible surface water between 100'-300'.

Oil: Deleware @ 3000'.

Gas: None

D. Proposed Casing Program: See Form 9-331C.

E. Pressure Control Equipment: See Form 9-331C and Exhibit "D".

F. Mud Program: See Form 9-331C.

G. Auxiliary Equipment: None.

H. Testing and Coring Program: No DST's are anticipated. No cores are planned at this time.

Logging: Gamma Ray - Spectral
Density - Dual Spaced Neutron Log; T.D. to surface
Gamma Ray - Dual Latero Log
Microguard Log - T.D. to Intermediate casing.

I. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the weight.

J. Anticipated Starting Date: As soon as possible after BLM approval.

11. OPERATOR'S REPRESENTATIVE

The field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

W.H. Cravey
Erick Nelson
Ben Cook

701 S. Cecil Street
P.O. Box 5270
Hobbs, New Mexico
88241

Phone: (505) 393-5905
24 Hour Answering Service